



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

June 30, 2014

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

John C. Clark  
Madison County Utilities District  
297 Michelle Drive  
P.O. Box 670  
Richmond, KY 40476-0670

RE: Failure to Comply with Case No. 2009-00272

Dear Mr. Clark:

An Order was issued by the Commission on June 8, 2010, which granted a certificate of public convenience and necessity to proceed with the installation of an AMR system. The Order specified that Madison District proposed to replace 2,940 manual-read meters with AMR meters in a portion of its system near Waco, Kentucky.

Ordering paragraph number nine (9) of that Order states that in its annual report for calendar year 2010 and each following year, Madison District shall provide a written analysis of the status and cost-effectiveness of the replacement project. The report shall include: the total number of meters that were replaced; the number of meters that were replaced and that were in service longer than the time period identified in 807 KAR 5:066, Section 16; the number of meters that are in service and that have been in service longer than the time period identified in 807 KAR 5:066, Section 16; and the data containing the cost effectiveness of the AMR system.

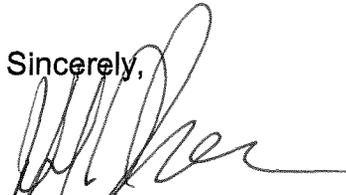
On multiple occasions since 2011, Linda Faulkner, Director of Filings, has attempted to obtain this report with little success. She has spoken with John Smith, Jeanne Michaels, Janet York, and you about the necessity of filing this information. She has gotten conflicting information. On March 6, 2014, Judd Patterson informed her that 2,300 meters had been replaced. On June 26, 2013, Jeanne Michaels told Ms. Faulkner that 2,306 of 2,940 meters were in the ground as of May 2013. Janet York told Ms. Faulkner that as of June 18, 2014, 3,043 radio read meters had been installed. That exceeds the number of meters requested in the Order.

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As of this date, Madison Utilities has yet to file the required report. Madison Utilities has failed to file the report for calendar years 2010, 2011, 2012, or 2013. Madison Utilities District shall file the required report for calendar year 2013 within two weeks of the date of this letter. If Madison Utilities fails to comply, staff will recommend that the Commission initiate a show cause proceeding.

Questions concerning this letter should be directed to George Wakim at (502) 564-3940.

Sincerely,



Jeff Derouen  
Executive Director